

ASSESSING CUSTOMERS' AWARENESS OF THE LEVEL OF BANK CHARGES BY DEPOSIT MONEY BANKS IN NIGERIA

BY

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MATRIC NUMBER: 07AA04937

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DEPOSIT MONEY BANKS IN NIGERIA**

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**BEING A PROJECT SUBMITTED TO THE DEPARTMENT OF
BANKING AND FINANCE, COLLEGE OF BUSINESS AND SOCIAL
SCIENCES, COVENANT UNIVERSITY, OTA OGUN STATE, IN
PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD
OF MASTER OF SCIENCE (M.SC) DEGREE**

JUNE, 2018

ACCEPTANCE

This is to attest that this dissertation is accepted in partial fulfilment of the requirements for the award of the degree of Master in Finance in the Department of Banking and Finance, College of Business and Social Sciences, Covenant University, Ota.

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Secretary, School of Postgraduate Studies

Signature & Date

Prof. Samuel T. Wara

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Dean, School of Postgraduate Studies

Signature & Date

DECLARATION

I Oyedele Oyeladun Opeyemi declare that:

1. This project is based on a study undertaken by me in the Department of Banking and Finance, College of Business and Social Science, Covenant University, Ota Ogun State, under the supervision of Professor F. Iyoha.
2. This work has not been submitted for the award of any degree elsewhere.
3. All ideas and views are product of my personal research and where the views of others have been expressed, they have been duly acknowledged.
4. I shall be totally, wholly, and fully responsible for any liability that may flow from this study, if any.

.....

OYEDELE Oyeladun Opeyemi

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Researcher

CERTIFICATION

This is to certify that Oyedele Oyeladun Opeyemi with the Matriculation Number 07AA04937 carried out this research work titled “Assessing customer’s awareness of the level of bank charges by Deposit Money Banks in Nigeria” and was supervised by Professor F. Iyoha and submitted to the Department of Banking and Finance, College of Business and Social Sciences, Covenant University, Ota, for the award of Masters of Science (Honours) Degree.

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DEDICATION

I dedicate this research project first and foremost to my God, the giver and sustainers of my life for the grace He gave me to complete this research work. For His mercy, faithfulness, love, joy, inner strength and provisions throughout this degree program, I am forever grateful. I am also dedicating this project my lovely husband Oluwamuyiwa Babatunde for his care, love, prayers and support given to me throughout the postgraduate Programme.

ACKNOWLEDGEMENTS

Firstly, I will like to return all the glory to the Almighty God, the Alpha and Omega who has seen me through this Postgraduate Programme from the beginning to the end. His Gift of sound health, loving kindness, joy, grace can't be numbered thus far. To God alone be all the Glory.

I also wish to express my deep gratitude to the Visioner and Founder of this highly prestigious University, Dr David O. Oyedepo for his love, care, prayers, mentorship and for creating both academic and spiritual platform for human development. To the Vice Chancellor, Prof. A.A. Atayero and the entire management team for the tireless effort put in place in making this University to retain her standard, I am also grateful to the Dean School of Postgraduate Studies for the belief they have in our set.

My heartfelt gratitude thanks and gratitude goes to my project supervisor Prof. F. Iyoha for his fatherly care, valuable inputs, constructive criticisms, excellent expositions, tireless efforts, sacrifices, promptness and painstakingly reviewing my research work and correcting it to have the best result. Aside my project work, I appreciate Prof. F. Iyoha for his helping me as a person to love every part of the programme and for helping us to know see other benefits that can be gained from the programme aside from the certificate. I pray that God will continually bless, enrich him and his household.

I also extend my gratitude and hearty-love to Professor P.O. Alege (Dean, College of Business and Social Sciences), and all members of Faculty and Staff in the Department of Banking and Finance: Dr. K.A. Adetiloye(Head of Department), Dr. J. N. Taiwo, Dr. (Mrs.) A.A. Babajide, Prof. O.A. Ikpefan, Dr. A. O. Ehimare, Dr. F.O. Olokoyo, Dr. G. O. Evbuomwan, Dr. L.U. Okoye, Dr. F.O. Adegboye for their profound support all through this journey.

Finally, I am deeply grateful to my parents Mr & Mrs Oyegunle Oyedele for their words of encouragements all through the programme, and their inestimable support spiritually and morally.

Furthermore, I appreciate my loving husband Mr Oluwamuyiwa Babatunde for his sacrifices, patience, support given to me all through the course of this programme. You are indeed an angel sent from God to bless me and I will forever remain grateful to God and your kind self for this opportunity granted to me. My appreciation cannot be completed without appreciating all my class mates (Mr Olurotimi Ogunwale, Mr Kolawole, Mr Opeyemi Babalola, Mr Samson Osifo, Mr Akinrin, Mr Akeem, Mr Dare, Mr Farouk, Mr Johnson, Mr Akin Idowu) who had made it possible to successfully complete this programme. I pray that our bond will remain even stronger after the course and our labour will commensurate into greater heights in our field of work.

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Abstract

In 2013, the Central Bank of Nigeria refunded N2.9billion excess bank charges to customers which were drawn on customer's account by Deposit Money Banks (DMBs) in Nigeria. These bank charges drawn by DMBs have become an area of concern as full disclosures are not made to their customers about hidden charges. Therefore, this study evaluates the extent to which customers of various banks are knowledgeable about charges on bank's products. This study was motivated by two factors (i) lack of clarification on charges drawn on customer's accounts without due publicity and (ii) the recent announcement by CBN that withdrawal and deposits made by customers of DMBs beyond certain amounts will attract varying degree of charges. The population of the study comprised various age groups, educated and non-educated. The questionnaire and interview method were used to elicit data for the study. The data were analyzed using analysis of variance (ANOVA). There exist a significant difference between bank customer's awareness and the various charges on the bank account. There study revealed that there is no significant difference between effective disclosure on bank charges and customer's awareness. The study also reveals that there exists a significant difference between bank customer's awareness of the existence of regulatory bodies charged with the responsibility of protecting them from unwarranted charges. The study also revealed that there is no significant difference between bank customer's education background and the awareness of bank charges. The study revealed that there is no significant difference between customer satisfaction and bank charges. Based on findings, we therefore recommend that there is a need for more enlightenment on bank charges levied on customers by regulatory bodies in Nigeria.

Keywords: Bank products, Deposit Money Banks, Bank charges, Bank customers, full disclosure.